

## **DRPT Transportation Study Committee**

### **September 14<sup>th</sup>, 2011 Meeting**

#### **Public Comments:**

The third DRPT Transit Study Stakeholder Committee Meeting began with time dedicated to brief public comments. Public attendees and public comments included:

- Ms. Linda McMinniman commented that knowing the goal of the studying and understanding what is “broken” with the current system is would be helpful. She expressed the opinion that the primary problem is insufficient funds for transit as a whole.
- Mr. Kevin Chisom noted he has attended CTB and understood there is a funding chicken/egg problem.
- Mr. Jason Powell, staff to the VA Legislature, noted he was in attendance to understand the issues/discussion.
- Mr. Howard Jennings commented on behalf of Mr. Bill Judas, who observed that smaller jurisdictions that do not currently report to NTD may need assistance to begin reporting. He also expressed the belief that population is not a preferred factor, but that population and density combined is better than population alone. He also commented that ridership factors/per capita is good but must be done with a fair understanding of their implication, and that this data is also impacted by trip lengths. He noted that passengers per revenue hour or revenue trip could also be considered. Lastly, he noted that tiered structure makes sense.

#### **Welcome and Introduction**

DRPT Chief of Public Transportation Bob Wilson welcomed the group and thanked the group for participation on the Committee. Mr. Wilson clarified the role of the Committee in terms of input for the study and the final report. He clarified that the initial scenarios being studied at this time are not necessarily going to be the recommendations of DRPT to the Legislature- but rather are solely formulas for consideration and discussion. DRPT noted it would like to see increased funding for all grantees, but must proactively and objectively distribute funds DRPT has available. This should be done as objectively as possible, based on performance, recognizing in all likelihood there will be winners and losers, and equalizing that as much as possible. With regard to the final report, DRPT noted that the people who will be reading it should know there is a stakeholders group, and it could include a disclaimer that the recommendations are those of the DRPT, not those of the Committee or any of its members. He also expressed the desire to have the DRPT report in some way address the concept that transit providers and MPOs funding needs for funding to serve and benefit the many policy goals of the State of Virginia.

**Meeting objective:** Review and refine the formula options and features under consideration.

## **Discussion**

The Committee reviewed the Senate resolution, as well as State of Virginia and DRPT goals. The DRPT, the Committee and the Consulting Team reviewed the scenarios and performance metrics under consideration. The scenarios were designed to provide a basis for discussion, as they demonstrated advantages and disadvantages of various metrics. Comments about metrics during the discussion included:

- Some Committee members thought that population alone is not a good measure- there are many challenges in defining population and service area.
- Ridership and miles of service were identified as possible measures for further consideration.
- The Committee noted that not all transit providers collect the same data in the same manner. There may be a need to for steps to develop a consistent data collection methodology with implementation of a performance-based funding allocation system.
- It was noted that person miles might make more sense for long haul commuter line and passengers per revenue mile or passenger trips may benefit urban areas.
- A Committee member expressed the opinion that it would be beneficial for different factors to be used for different types of providers.
- It was noted that operating cost per passenger miles should be considered, as it rewards lower cost per passenger mile.
- There was a consensus that the Fiscal Stress Index (FSI) not be used as a performance metric. There was great interest in incorporating a measure of Locally Derived Income (LDI).

## **Tiering**

Among the participants, there was strong support for including a tiering mechanism into any performance based allocation system so that transit providers' performance could be compared with their peers of similar size and services.

- Some committee members questioned how a formula could capture different cost structures, different densities, and different services.
- It was noted an alternative to tiering could be to provide a block level grant, where variations could be dealt with locally in distribution.

## **Capital**

Participants did not support using a performance-based formula approach as the basis for distribution for capital funding. Going forward, a preference was expressed for applying any new formula only to operating funding. The following issues were identified as the Stakeholder group brainstormed concerning addressing capital distributions:

### *Important issues for distributing Capital*

- Hierarchy of importance - should the State establish priorities for improvement types?

- Transit planners would benefit from knowing which types of projects have which level of funding) (e.g. bus replacements and midlife overhauls).
- Some members of the Committee noted that would like to know the rules about funding before they submit their grant. The rules regarding capital projects have changed over time.
- Transit providers would like to see the budgeting and DRPT funding process better aligned. For example, when transit providers are required to submit budgets to localities, they would like to know the minimum they might receive.

#### *Issues with State of Good Repair*

- A performance-based approach might reward transit providers for meeting vehicle maintenance goals. This incentive could be graduated in terms of the length of time that vehicles are in “good repair.”
- Others expressed that “State of good repair factors” for a capital formula would be difficult to do and may have negative consequences.
- A number of Committee members-said they are comfortable with the formula in current law if there was better communication about rules changing.

#### **TDM**

Howard Jennings presented to the Committee potential components of a chapter on TDM for the DRPT Public Transportation Study report. He recommends that TDM shouldn't be reliant upon grant funding but should be stable year to year. He also questioned the committee how they would feel if additional funding could not come from TIEF if it could come from DRPT or if DRPT would match additional TIEF fund. He noted TDM expects to be measured, and that it already is measured in some ways, for example, return on investment studies are being done now.

#### **Next Steps**

- DRPT will consider the potential use of other factors discussed during the meeting. Consultant team will analyze another Round of options.
- DRPT will consider testing a phase-in which provides 90% funding distribution under the current system, and 10 percent under the current system.
- DRPT will determine the timing and need for a subsequent meeting.
- Committee members are welcome to suggest performance factors or factor formula combinations via email for consideration in the next analysis Round. Suggestions were requested to be sent to DRPT by September 21, 2011.